

**HIGH COURT CASE  
MOST IMMEDIATE  
BY FAX/EMAIL**



NO. SO(IS-II)3-69/2020(Petroleum)  
**GOVERNMENT OF THE PUNJAB  
HOME DEPARTMENT**

Ph: 042-99210548 Fax: 042-99211739

Lahore, the 26<sup>th</sup> June, 2020.

To,

All Deputy Commissioners,  
in Punjab.

Subject: - **ACTION AGAINST HOARDERS OF POL PRODUCTS IN PUNJAB**

I am directed to refer to the subject noted above and to state that acute shortage of POL products has been observed in various Districts of Punjab which needs to be addressed promptly in the best public interest in accordance with the relevant law.

2. Pursuant to the direction of the Federal Government and as per advice of the office of Advocate General Punjab, all Deputy Commissioners in the Province of Punjab are required to proceed under rules 43 & 44 of Pakistan Petroleum (Refining, Blending and Marketing) Rules, 1971 against those who deliberately indulged in withholding of supplies to the authorized dealers and the public (**copy of Pakistan Petroleum (Refining, Blending and Marketing) Rules, 1971 is enclosed**).

3. In view of above, I have been directed to request that the stern legal action under rules ibid may kindly be taken immediately under intimation to this Department, please.

4. The comprehensive report regarding action taken may also be shared to this Department on or before **28<sup>th</sup> June, 2020** through Email i.e. [asishdpunjab@gmail.com](mailto:asishdpunjab@gmail.com) and at WhatsApp No. 0304-0920160.

5. **This matter may be treated as *Most Urgent*.**

  
**SECTION OFFICER**  
**(Internal Security II)**  
Section Officer (IS-II)  
Government of the Punjab  
Home Department

**CC:**

1. Secretary, Government of Pakistan, Ministry of Petroleum and Natural Resources (**Attention: DG, Oil**).
2. Provincial Police Officer/IGP, Punjab.
3. All Divisional Commissioners in Punjab.
4. Capital City Police Officer, Lahore.
5. All RPOs/ CPOs/ DPOs, in Punjab.
6. PS to ACS (Home), Punjab.

**PAKISTAN PETROLEUM  
(REFINING, BLENDING  
AND MARKETING)  
RULES, 1971**

**(updated upto 13<sup>th</sup> March 2006)**

**MINISTRY OF PETROLEUM  
AND NATURAL RESOURCES  
GOVERNMENT OF PAKISTAN  
ISLAMABAD**

**GOVERNMENT OF PAKISTAN  
MINISTRY OF PETROLEUM AND NATURAL RESOURCES**

**NOTIFICATION**

Islamabad, the 30th September 1971

**No.PL-12(2)/71.-** In exercise of the powers conferred by section 2 of the Regulation of Mines and Oil-Fields and Mineral Development (Government Control) Act, 1948 (XXIV of 1948), read with section 3 thereof, the (Federal Government) is pleased to make the following rules:-

**PART I**

**GENERAL**

1. **Short title and commencement.-**(1) These rules may be called the Pakistan Petroleum (Refining, Blending and Marketing) Rules, 1971.

(2) They shall come into force at once.

2. **Definitions.-** In these rules, unless there is anything Repugnant in the subject or context, -

(a) "AGENT OR DEALER" means a person appointed by a marketing company engaged in the sale, distribution or marketing of petroleum products at the dispensing outlets or filling stations belonging to, or installed or rented out to him by the company;

(b) "AUTHORITY" in relation to,- Substituted

(i) rules 7,8,9,10,11,11A,13,20,22,30,30A,30B,31,33A,39 and 43C means the Director General Oil;

(ii) rules 16,16B,17,18,26,27,28,33,35,36,38,40,41,41A and 43 means the Oil and Gas Regulatory Authority; and

(iii) rules 14,24,32,34 and 42 means both Director General Oil and the Oil and Gas Regulatory Authority.

(c) "BLENDING PLANT" means a lubricants blending facility wherein processing, manufacturing or blending is carried on with lubricating oil of the same or different kinds with or without any additives, towards, the completion of a finished product and includes a (brake fluid plant and) grease plant;

(d) "CRUDE OIL" means a mineral oil of petroleum origin, consisting mainly of hydrocarbons;

(e) "FORM" means form set out in Schedule-I;

- (f) "MARKETING COMPANY" means a person other than a blending plant (reclamation plant) or refinery engaged in purchasing or obtaining petroleum products from local refineries or blending plants (or reclamation plants) or through sources abroad for selling, distributing or marketing with the approval of the Authority, directly through his agents or dealers at his dispensing outlets or filling stations;
- (ff) "OGRA" means the Oil and Gas Regulatory Authority established under section 3 of the Oil and Gas Regulatory Authority Ordinance, 2002 (XVII of 2002);
- (g) "PERSON" includes any corporation, joint stock company, partnership, association, business trust, organized group of persons whether incorporated or not and the receiver or trustee of any of them;
- (h) "PETROLEUM PRODUCT" means any of the products specified in Schedule - II;
- (hh) "RECLAMATION PLANT" means a reclamation facility wherein reclamation, refining or processing of used lubricating oils (or white oils,) is carried on by any method whatsoever towards the completion of a lubricating oil base stock;
- (i) "REFINERY" means a facility wherein refining of crude oil is carried on towards the completion of all types of petroleum products and includes all other ancillary facilities and equipment required for this purpose;
- (j) "WHITE OIL PRODUCTION PLANT" means a facility wherein processing, manufacture or blending is carried on towards the completion of finished white oils.

## **PART II**

### **REFINING**

- |    |   |         |
|----|---|---------|
| 3. | <b>Permission compulsory.-</b>                    | Omitted |
| 4. | <b>Application for permission.-</b>               | Omitted |
| 5. | <b>Authority may grant or refuse permission.-</b> | Omitted |
| 6. | <b>Conditions of permission.-</b>                 | Omitted |

7. **Submission of production program to authority.-** Every refinery shall not less than one month before the commencement of the first or second half of its financial year, submit to the Authority for its approval the program of production which it proposes to follow in that half year having due regard to the economic interests of the country and its own ability to meet the demands of the market as economically as possible.

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8. **Approval of production program.**- The Authority may approve a program of production submitted under rule 7 subject to such modifications, if any, as it may indicate in its order of approval:

Provided that no such modification shall be made without giving the refinery submitting the program, an opportunity of being heard.

9. **Approval necessary for change in production program.**- Every refinery shall carry on its production in accordance with the program of production approved under rule 8 and shall not make any change in, or departure from, the program except with the prior approval in writing of the Authority.

10. **Power to require processing of crude oil.**- (1) The Authority may, by order in writing, require a refinery to process crude oil or feed stock produced in Pakistan or so much of crude oil or feedstocks produced in Pakistan or so much of crude oil produced from concessions abroad in which the Federal Government or an assignee of the Federal Government has acquired proprietary rights as represents that Government's or assignee's share.

(2) While requiring, under sub-rule (1) a refinery to process any crude oil or feedstocks, the Authority shall have due regard to the financial viability or profitability of the refinery its capacity and any existing commitments entered into by the refinery with the approval of the Authority.

(3) No agreement relating to supply, Omitted

11. **Authority to approve specifications of products.**- Every refinery shall submit to the Authority for its approval the specification of every product it proposes to produce and shall not produce a product the specification of which has not been approved by the Authority.

11A. **Authority to approve specifications of imported petroleum products.**- No authorized importer shall import petroleum products other than the specifications approved and notified by the Authority from time to time.

12. **Permission necessary for refinery to sell.**- Omitted

13. **Authority to specify minimum crude oil stocks.**- Every refinery shall maintain such minimum stocks of crude oil as the Authority may, having due regard to the storage capacity and finances of each individual refinery, by order in writing, require from time to time.

14. **Refinery to submit information.**- Every refinery shall submit to the Authority or an officer specified by it the information required in Form-II (together with any other information, if any, which may be required by the Authority or the officer so specified) not later than the date indicated in that form.

15. **Revocation or amendment of permission.**- Omitted

### **PART III**

#### **BLENDING (AND RECLAMATION)**

**16. Registration compulsory.-**

Substituted

No blending plant, greases plant, reclamation plant or white oils production plant shall operate unless it is registered with the Authority i.e. OGRA.

**16A. Sale, purchase or storage of used lubricating oil.-**

Substituted

No person shall sell, purchase or store used lubricating oil except for supply to a registered reclamation plant or its authorized collection agent.

**16B. Compulsory registration for person importing lubricant greases and white oil. -** No person importing Lube base oil lubricating oil greases white oil shall sell these products unless he is registered with the authority.

**16C. Minimum requirement.-** No blending plant, grease plant or reclamation plant shall be established unless it meets the requirement specified in Form 1-B and

**16D. Setting up of Vacuum Distillation Units.-** (1) All the existing Reclamation plants approved by, or registered with, the Ministry of Petroleum and Natural Resources shall set up Vacuum Distillation Units within one year from such date as the Federal Government may, by order in writing, specify.

(2) Where a reclamation plant fails to comply with the directions issued under sub-rule (1) the Federal Government may, after giving it an opportunity of being heard, cancel its registration.

**17. Application for registration.-**

Substituted

An application for registration of a blending plant, grease plant, reclamation plant or white oils production plant shall be made to the Authority in Form 1-A.

**18. Approval of registration.-**

Substituted

Where, after consideration of application made under rule 17 and making such inquiry as the Authority may deem fit, the Authority is satisfied that the sponsor of a blending plant, grease plant, reclamation plant or white oils production plant is financially sound, possesses the requisite facilities and expertise for production, testing and quality control, it may register such plant.

**19. Conditions of permission.-**

Omitted

**20. Submission of production plans.-**

Substituted

Every blending plant, grease plant, reclamation plant and white oils production plant shall submit its bi-annual production plans including any change or alteration in such plans, to the Authority.

21. **Authority may specify [lubricating] oils for blending plants and reclamation plants.-** Omitted

21A. **Sale of lubricating oil base stock prohibited.-** Omitted

22. **Authority to lay down products specifications.-** Substituted  
The Authority shall lay down minimum specifications of finished lubricating oil to be produced by a blending, grease, plant, reclamation and white oils production plant.

23. **Authority to specify minimum stocks of base oils and products.-** Omitted

24. **Blending plant (and reclamation plant) to submit information.-** Every blending plant (and reclamation plant) shall submit to the Authority or an officer specified by it the information required in Form-III (together with any other information, if any, which may be required by the Authority or by the officer so specified) not later than the date indicated in that form.

25. **Revocation or amendment of permission.-** Omitted

#### **PART IV**

#### **MARKETING**

26. **Permission compulsory.-** Substituted  
No person shall set up a marketing company except with the prior permission in writing of the Authority.

27. **Application for permission.-** (1) An application for permission to set up (or to continue to function) a marketing company shall be in triplicate and shall be accompanied by a feasibility report containing the information required in Form-1 and a (treasury challan for two thousand rupees deposited in a Government Treasury under the Head of Account (1263-Fuel and Power Fee for Petroleum Products) which shall in no case be refunded.

(2) Omitted

(3) **Application made under sub-rule (1)** Substituted  
Application made under sub-rule (1) shall be examined in the light of petroleum policy parameters adopted by the Authority from time to time.

(4) Omitted

(5) Omitted



28. **Authority may grant or refuse permission.-** (1) The authority may grant the permission asked for if it is satisfied that the applicant has past experience and adequate finances or can make financial arrangements to the satisfaction of the Authority: "Provided that the Authority may, in the public interest, refuse to grant such permission," and

“(1A) In case of refusal under the proviso to sub-rule (1) to grant the permission asked for an appeal shall lie against the decision of the Authority to the Federal Government”.

(2) No person shall, except with the prior permission of the Authority in writing, make any major alteration in, addition to, or extension of, the marketing company as approved by the Authority.

29. **Conditions of permission.-** A permission granted under rule 28 shall be subject to such conditions, if any, as may be specified therein and may, having due regard to the marketing requirements and financial interests of a marketing company, specify the area of region to which the company should confine its business.

30. **Authority to approve agreements.-** No agreement relating to the supply, purchase, sale, storage or export of any imported petroleum products shall be entered into by any person without the prior approval in writing of the Authority.

30-A. **Authority to specify minimum stocks of petroleum products.-** Every marketing company shall maintain such minimum stocks of petroleum products as the Authority may, having due regard to storage capacity and the finances of such individual marketing company, by order in writing, require from time to time.

30B. **Conditions for import of petroleum products.-** Where the production of petroleum products by the local refineries is found insufficient, the Authority may, subject to such condition as it may impose from time to time, a marketing company may import such products.

31. **Authority may prohibit the sale or disposal of any product.-** If the Authority is of opinion that, for preventing the unauthorized export of petroleum products from Pakistan, it is necessary so to do, the Authority may, by an order in writing, prohibit the sale or disposal otherwise of any petroleum product in any area specified in the order except in such form and manner and to such person as may be so specified.

32. **Marketing company to submit information.-** Every marketing company shall submit to the Authority or an officer specified by it the information required in Form-V (together with any other information, if any, which may be required by the Authority or the officer so specified) not later than the date indicated in that form.

33. **Revocation or amendment of permission.-**

Substituted

(1) Where the Authority under these rules is the OGRA, the OGRA may, if in its opinion the public interest so requires, or if the OGRA receives a reference against any person under rule 33A from the Director General Oil in respect of the rules where the Director General Oil is the Authority, revoke a permission;



(2) Where, in the opinion of the Authority, the public interest so requires, the Authority may, instead of revoking a permission under sub-rule (1), permit it to remain in force in relation to the whole or any part of Pakistan with such alterations or amendments in the terms and conditions of the permission as it thinks fit to make, or upon such new terms and conditions as it may impose.

(3) In case of revocation of permission or alterations or amendments in the terms and conditions thereof an appeal shall lie from the decision of the Authority to the Federal Government.

**33A. Remedial action.-** The Director General Oil, where it is the Authority in respect of these rules, may, in respect of any person who, in the opinion of the Authority and in respect of the said rules:-

- (a) makes willful and unreasonably prolonged default in doing anything required of him and has been informed in writing to that effect by the Authority;
- (b) violates any of the terms or conditions of the rules and is so informed in writing and does not rectify the violation within the time specified; or
- (c) is unable by reason of his insolvency fully and efficiently to discharge the duties and obligations imposed on him.

In addition to the powers under rule 44, direct the person to take such remedial action as the Director General Oil considers necessary. The Director General Oil may also send a reference against the said person to the OGRA for necessary action under sub-rule (1) of rule 33.

## **PART V**

### **INSPECTION AND CHECKS**

**34. Entry, Inspection and Enforcement of the Rules.-** Any person authorized in writing by the Authority in this behalf may,-

- (a) make such examination or inquiry as he considers necessary for ensuring that the provisions of these rules or of any order made thereunder are being fully observed by a refinery, a blending plant, (a reclamation plant), a marketing company [or a distribution outlet]; and
- (b) with such assistance, if any, as he considers necessary enter, inspect and examine any refinery, blending plant (reclamation plant), marketing company, (distribution outlet), installation, storage or depot or any part thereof at any reasonable time by day or by night but not so as to unreasonably impede or obstruct the working of the refinery, blending plant (reclamation plant), marketing company, (distribution outlet), installation, storage or depot.

-: 8 :-

35. **Facilities to the Inspecting Officer.**- The owner, manager, proprietor or other person incharge of a refinery, blending plant (reclamation plant), marketing company, (distribution outlet), installation, storage or depot shall afford the person authorized by the Authority under rule 34 (or 36) all reasonable facility for making an examination, inquiry, inspection or measurement or for taking any sample.

## **PART VI**

### **TESTING OF PETROLEUM PRODUCTS**

36. **Authority may take samples.**- Any officer authorized by the Authority in this behalf may take samples of a petroleum product from a refinery, blending plant (reclamation plant), marketing company, installation, storage, depot or distribution outlet.

37. **Samples to be Tested According to Standard Procedures.**- All samples shall be collected and tested in accordance with the American Standard of Testing Materials procedures or, in the absence of such procedures, with the appropriate Institute of Petroleum (U.K.) Procedures.

38. **Procedure of Sampling and Testing.**- (1) An officer taking samples of a petroleum product under these rules shall take the sample of the product in two separate containers in the presence of the person from whose possession the samples are taken (hereinafter referred to as the owner) and shall seal the containers with his own seal and also allow the owner to put his seal to the containers, if he so desires.

(2) The officer shall retain one of the containers with himself, and forward the second for testing and report to one of the laboratories approved for the purpose by the Authority.

(3) If the owner disputes the correctness of the report of the laboratory to whom a sample was forwarded for testing under sub-rule (2), the officer shall forward the container retained by him under that sub-rule to one of the other laboratories approved for the purpose by the Authority for testing and report.

(4) The report of the laboratory by whom a test is conducted under sub-rule (3) shall be final and shall not be called in question.

(5) All samples taken under this rule shall be tested within the time within which the quality of the product concerned is not likely to undergo any change.

**PART VII**  
**MISCELLANEOUS**

39. **Notice of closure to Authority.**- Every refinery, blending plant, (reclamation plant) and marketing company shall give to the Authority not less than seven days' prior notice in writing of the closure of the refinery, blending plant (reclamation plant) or marketing company or of the stoppage of work therein, together with the reasons for such closure or stoppage and an indication of the period for which it is likely to continue, if such closure or stoppage is likely to effect the overall availability of any of the petroleum products:

Provided that, where such closure or stoppage takes place for any reason beyond the control of the refinery, blending plant, (reclamation plant) or marketing company a notice of the closure or stoppage may be given within four hours of its taking place.

40. **Authority may direct to refrain from closure.**- Where the closure of, or stoppage of work in a refinery, blending plant, (reclamation plant) or marketing company is not for any reason beyond its control and the Authority is satisfied that such closure or stoppage is not in the public interest, the Authority may, by an order in writing, direct the refinery, blending plant, (reclamation plant) or marketing company to refrain from the closure or stoppage or, where it has already started, to bring to an end within the time specified in the order.

41. **Permission necessary for use of Oil Storage Facilities for other Purposes.**- No refinery, blending plant, (reclamation plant) or marketing company shall, without the prior permission in writing of the Authority, rent lease or sublet to any person, or itself, use its oil storage facilities for any purposes other than the storage of petroleum products.

41A. **Permission for Construction and Reconstruction of Storage.**- (1) No refinery, blending plant (reclamation plant) or marketing company shall, without the prior permission in writing of the Authority, construct, reconstruct, dismantle or remove any storage for crude oil or petroleum products.

(2) An application for permission under sub-rule (1) shall be in triplicate in Form-VI.

42. **Protection for acts done in good faith.**- No suit, prosecution or other proceeding shall be initiated against the Authority or his assignee for anything done or purporting to have been done in good faith under the provision of these rules.

43. **Adulteration prohibited.**- (1) No person shall sell, dispose of or market any petroleum product adulterated with any other petroleum product or with any unauthorized substance or mixed in an unauthorized way and shall not indulge in deliberate with-holding of supplies to the authorized dealers and the public in any area throughout Pakistan.



(2) The Authority may, from time to time, notify necessary measures such as sealing of storage tanks or use of dyes or prescribe any other procedure necessary to prevent the adulteration of petroleum products.

(3) The Authority may by an order in writing, direct any person or its dealer or agent to comply with the requirements of provisions of sub-rule (2).

**43A. Certain powers of exercisable by the District Coordination Officer.-**

Substituted

In rules 34,35,36,38 and 43, any reference to "Authority" includes a reference to the "District Coordination Officer" of the district in, or in relation to which, any power or function is to be exercised or performed by the Director General Oil or OGRA, as the case may be;

**43B. Action by Authority in case of breach of certain rules by a marketing company, its agents or dealers.-** A marketing company which, or any agent or dealer of which contravenes any of the provisions of rules 30,31,32,34,35,36,37,38,41,41A or 43 shall be liable to any action which may be taken by the Authority under rule 33 or rule 33A, as applicable; and

**43C. Supply of Petroleum products.-** The Authority may, if it is of opinion that public interest so requires, by order in writing, direct any refinery, marketing company or its agent or dealer or a blending plant (or reclamation plant) to supply such quantity of any petroleum product to such person as may be specified in the order.

**43D. Authority to approve agreements.- (1)**

Omitted

**43E. Provision of information.-** The OGRA shall provide to the Director-General Oil any information which, in the opinion of the Director-General Oil, is required by it for the discharge of its responsibilities as the Authority under these rules.

## **PART VIII**

### **PENALTIES**

**44. Penalty for breach of rules.-** Any person who contravenes the provisions of any of these rules shall, without prejudice to any other action that may be taken under these rules in relation to the contravention, be punishable for every breach with imprisonment or a term which may extend to three years, or with fine (which shall not be less than fifteen thousand rupees) or with both.



## **SCHEDULE I**

[See rule 4, 17 and 27 (1)]

### **FORM I**

#### **FORMAT FOR OIL REFINERY, BLENDING PLANT “(RECLAMATION PLANT)” MARKETING COMPANY FEASIBILITY STUDY**

Note 1.- The feasibility report should be prepared by a reputable firm of consultants or such persons who possess technical qualifications as well as experience in oil refining. In the case of blending (reclamation) or marketing projects, this may not be necessary. Paragraphs should be numbered to correspond with those in this questionnaire.

Note 2.- Where the application relates to a particular project e.g. refinery marketing company (blending plant or reclamation plant), then the appropriate information may be furnished.

Note 3.- Name/names of the firm/firms of consultants or the technical personnel/ personnel's responsible for preparing the feasibility report of oil refinery. In respect of blending plant (reclamation plant) or marketing facilities, names technical personnel/personnel's.

Note 4.- The feasibility study should include the information asked for below:-

## **CHAPTER 1**

### **GENERAL CONSIDERATIONS**

1.1. Name and address of the applicant giving details of his commercial interest etc; and past experience in oil industry, if any.

1.2. Capital structure of the proposed company. (No managing agency arrangements should be made).

1.3. Give an approximate indication of the time required to complete the project indicating phasing of work.

1.4. Indicate how the project will be managed. Also indicate if you will be advised by foreign technical consultants.

1.5. Indicate requirements of technical personnel and their availability, and submit an organogram of the proposed organization.

## **CHAPTER 2**

### **MARKET CONSIDERATIONS**

2.1. Give estimates of consumption of all petroleum products including base oils and asphalt for internal as well as export. If the product/products are to be locally consumed indicate present local demand of such products and their production and areas of consumption. Also give the local demand and supply position for subsequent years including the year when the projects is expected to materialize.

2.2. Indicate whether product/products are to be locally consumed or exported. Also indicate disposal of the surplus products.

2.3. If product/products are to be exported, indicate potential export areas and give reasons why exports from Pakistan of such product/products would be preferred. This includes supplies to international concerns, airlines, etc.

2.4. Give estimates of production/sales pattern of the company.

2.5. Phased program, e.g. quantities to be marketed and distribution alongwith sources of supply.

## **CHAPTER 3**

### **LOCATION**

3.1. Location of the new industry/installation.

3.2. Availability of utilities (electricity, water, fuel, etc) at the proposed location. Also indicate the stand-by arrangements.

3.3. Availability of raw materials or products at the proposed location.

3.4. Availability of means of disposal of product/products at the proposed location.

3.5. Availability of means of disposal of waste products at the proposed location.

3.6. Availability of terminal depots and other points/of storage.

## **CHAPTER 4**

### **DESCRIPTION OF THE PROPOSED PROJECT**

- 4.1. Describe in detail the proposed project and the manufacturing process and give requirements of materials, utilities and other services. Indicate what arrangements are made or are planned to obtain the materials, utilities and other services.
- 4.2. Indicate in detail the charge and yields of all the units. Indicate also if the refinery units and ancillaries are designed to yield a maximum production of middle distillates.
- 4.3. Indicate whether the designed capacity of the refinery units have the flexibility to process heavier crudes with high content of sulphur and salt.
- 4.4. Describe in detail the transportation arrangements of crude oil/base oil/finished petroleum products.
- 4.5. Indicate the product mix of the refinery assuming that motor spirit 90 RON,JP-1,JP-4,SK,HSD,LDO, base oils and furnace oil would be produced. These products would conform to the specifications currently in force in Pakistan.
- 4.6. Indicate measures for prevention of air pollution.
- 4.7. Indicate the cooling arrangements contemplated in the design keeping in view the availability of water in the area. Also indicate if air-cooling will be provided.

## **CHAPTER 5**

### **USE OF PIPELINES**

- 5.1. If pipeline is used for transportation of crude oil, the following information may be furnished:-

(a)	Pipelines	Local	Foreign	Total
	Cost of pipeline			
	Land			
	Laying of pipeline			
	Pump stations			
	Civil and Erection cost			
	Cathodic protection			
	Pre-operating expenditure			
	Contingency			

- (b) Spares
- (c) Working Capital
- Total investment

5.2. Indicate if the pipeline will also be available to other companies designated by the Government at terms acceptable to the parties concerned and approved by the Government.

## CHAPTER 6

### ESTIMATED COST OF PROJECT AND PROPOSED MEANS OF FINANCING

6.1. Give an estimate of the cost of the project as follows:-

- | (a) | Plant Cost                        | Local | Foreign | Total |
|-----|-----------------------------------|-------|---------|-------|
|     | Building                          |       |         |       |
|     | Equipment and material            |       |         |       |
|     | Erection                          |       |         |       |
|     | Engineering                       |       |         |       |
|     | Other Items                       |       |         |       |
|     | (Please specify)                  |       |         |       |
|     | Total plant erected cost          |       |         |       |
| (b) | Spares etc                        |       |         |       |
|     | Spare Parts. Miscellaneous items. |       |         |       |
|     | Start-up expenses                 |       |         |       |
|     | Total :                           |       |         |       |
| (c) | Working Capital :                 |       |         |       |
| (d) | Total Investment                  |       |         |       |

6.2. How is the cost of project given above proposed to be met. Please define mode of financing of project and the capital structure of the company. Give financial justification of the project.



## **CHAPTER 7**

### **ECONOMICS OF THE PROJECT**

7.1. Give detailed estimates of the estimated profitability of the venture. Following basis is to be used for estimating the profit:-

	Local	Foreign	Total
Estimated sales (give details and show basis of pricing used).			
Less material cost (give details and show basis of pricing used).			
Less operating cost (give details and show basis used).			
Gross Profit :-			
Less Provision for taxes.			
Net Profit			

This projection should be for a period of 5 years.

\*Detail case for any tax holiday asked by the industry.

7.2. Please include the latest rates for all items including duties and taxes as currently in force. For purposes of study do not ignore payment of duties and taxes.

## **CHAPTER 8**

### **MISCELLANEOUS**

8.1. The extent of Pakistani participation in the project should be clearly indicated for the various phases viz. designing, engineering, fabrication, construction, maintenance, etc. Pakistan personnel should be associated in all the phases and their extent of participation both in number and money-wise should be clearly indicated.

8.2. Indicate details of any foreign exchange savings.

8.3. Indicate the requirements of Pakistani and expatriate technical personnel with a detailed organization.

8.4. Any other relevant information.

## **SCHEDULE II**

### **SCHEDULE OF PETROLEUM PRODUCTS**

1. Aviation Gasoline 73 Octane
2. Aviation Gasoline 100/130 Octane
3. Aviation Gasoline 115/145 Octane
4. Aviation Turbine Fuel JP-4
5. Aviation Turbine Fuel JP-1
6. High Octane Blending Component
7. Motor Spirit
8. Naphtha
9. Vaporizing Oil
10. Superior Kerosene
11. Inferior Kerosene
12. High Speed Diesel Oil
13. Light Diesel Oil
14. Jute Batching Oil
15. Furnace Oil
16. Lubricating Oils including base Oils
17. White oils
18. Asphalt/Bitumen
19. Greases
20. Mineral Turpentine
21. Solvent Oils

-: 17 :-

**SCHEDULE I**

**FORM 1-A**

(See rule 17)

**FORMAT FOR SUBMISSION OF APPLICATION FOR REGISTRATION  
OF BLENDING PLANT, GREASE PLANT, RECLAMATION PLANT AND  
WHITE OILS PRODUCTION PLANT**

- i. Name of the company
- ii. Address of the company
- iii. List of Directors of the company
- iv. Location of the plant
- v. Design and capacity of the plant (metric tons per annum).
- vi. Confirmation that laboratory facility to check and monitor quality of the products has been established for conducting all requisite tests in accordance with the approved specifications.
- vii. Confirmation that all excise bond formalities required under the relevant rules have been completed with the respective Collectorate of Excise and Customs (documentary) proof to be attached).

**FORM 1-B**

( See Rule 16 )

**MINIMUM REQUIREMENT FOR SETTING UP OF  
BLENDING, RECLAMATION AND GREASE PLANTS**

<b>BLENDING PLANT</b>	<b>RECLAMATION PLANT</b>	<b>GREASE PLANT</b>
Minimum capacity 7500 M.Tons per annum	Minimum capacity 1000 M.Tons per annum	Minimum capacity 1000 tons per annum
Minimum two blending kettles of capacity of 15 tons each alongwith all necessary facilities.	Blending kettle minimum 10 tons capacity, alongwith all necessary facilities.  Dehydration, Acid treating, Neutralization, settling kettles and Vacuum Distillation Unit. <b>OR</b> An Internationally renowned processing facility fully capable to reclaim lube oil.	Grease blending kettle of 10 tons capacity alongwith all necessary facilities.
Base Oil storage tanks to cover minimum 15 days requirement.	Base Oil/Reclaimed Oil storage tanks to cover 7 days requirement.	Base Oil storage to cover 7 days requirement.
Finished products storage tanks to cover 7 days requirement.	Finished products/Reclaimed Oil/Waste Oil storage tanks to cover 7 days requirement.	Finished products storage to cover 7 days requirements.
Boiler 150 PSI	Boiler 150 PSI	Boiler 150 PSI
Furnace Oil Storage Tanks.	Furnace Oil Storage Tanks.	Furnace Oil Storage Tanks
Bulk, Drum and Tin filling machine arrangements.	Bulk, Drum and Tin filling machine arrangements.	Bulk, Drum and Tin filling machine arrangements
-	Filer	-
<b>Labs apparatus for quality Control as under:-</b>  i) Kinematic Viscosity bath. ii) Pour Point apparatus. iii) Flash Point apparatus. iv) Centrifuge. v) Furnace. vi) Oven. vii) ASTM D 1500 Colour meter. viii) Silver sun high shear mixer. ix) Potentiometer for T N testing. x) Misc. items test tubes, balance, glassware etc.	<b>Labs apparatus for quality Control as under:-</b>  i) Kinematic Viscosity bath. ii) Pour Point apparatus. iii) Flash Point apparatus. iv) Centrifuge. v) Furnace. vi) Oven. vii) ASTM D 1500 Colour meter. viii) Misc. items test tubes, balance, glasswares etc. ix) Silver sun high shear mixer. x) Potentiometer for T N testing.	<b>Labs apparatus for quality Control as under:-</b>  Stability test apparatus.  Dropping point apparatus.  Corrison test apparatus  Flash Point apparatus.  Penetrometer. Grease worker Hot Plate Oil separator Hydrometer Balance Oven